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Congress of the United States
House of Representatives
Washington, DC 20515-2210

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AND HAZARDOUS MATERIALS

WATER RESOURCES
AND ENVIRONMENT

March 4, 2014

The Honorable Rick Snyder
Governor
State of Michigan
P.O. Box 30013
Lansing, MI 48909

Dear Governor Snyder:

I am writing to you today regarding the National Flood Insurance Program (NFIP) and how this broken federal program is harming Michigan residents across the state. As you continue your efforts to reinvent Michigan, I hope that you will explore any possible options for allowing Michigan to opt out of this unfair and actuarially unsound program.

This is a particularly timely issue as Congress has once again shied away from making any hard choices to reform the NFIP. Obviously flooding can be an enormous tragedy with huge consequences for those affected, and it is our obligation to ensure our fellow American citizens have the necessary resources to respond to disaster. However, it is unfair that the residents of Michigan are forced to pay high premiums for less coverage to subsidized premiums for flood prone states under the current NFIP.

I absolutely agree that people who choose to live in floodplains or flood prone areas should be required to purchase flood insurance in order to secure a federally backed mortgage. This is common sense. While we do have places in Michigan that flood, I believe that the NFIP is using the state of Michigan and other Great Lakes states as ATM machines for the rest of the nation, particularly the parts of the country that are subject to hurricanes. It is incomprehensible for Michigan residents to pay such high premiums to subsidize plans for residents in flood prone states.

Because of these and other concerns, last year, I introduced the National Flood Insurance Program Termination Act of 2013. My bill would eliminate the NFIP in its entirety, allowing states, such as Michigan, to form regional insurance compacts that properly set premiums based on risk factors within a state or region – versus national – and encourage private insurance market participation. My bill would also retain the Federal Emergency Management Agency's assistance in producing high quality flood maps and assisting states and the private sector to insure against flood loss.

Just last year, Congress passed minor programmatic reforms to lessen the burden the NFIP places on taxpayers. Today, with the NFIP more than \$24 billion in debt, Congress voted to undo the reforms, signaling the total lack of political will to ever address this spiraling failure

Gov. Rick Snyder

March 4, 2014

Page 2

increasing hurting Michigan homeowners. That's why I am renewing my call for you to opt Michigan out of the federal program in its entirety and establish a regional plan for Michigan residents that would provide plans with actuarially realistic premiums. Thank you for your consideration of this request. Michigan has the ability to lead the way on this issue and I look forward to working with you to do so.

Sincerely,



CANDICE MILLER
MEMBER OF CONGRESS

CC: The Honorable Randy Richardville, Senate Majority Leader
The Honorable Joe Hune, State Senator
The Honorable Jase Bolger, Speaker of the House
The Honorable Pete Lund, State Representative